

October 24, 2017

The Honorable Paul Ryan
Speaker of the House
United States House of Representatives
H-232, The Capitol
Washington, D.C. 20515

The Honorable Kevin McCarthy
Majority Leader
United States House of Representatives
H-107, The Capitol
Washington, D.C. 20515

The Honorable Steve Scalise
Majority Whip
United States House of Representatives
H-329, The Capitol
Washington, D.C. 20515

Dear Speaker Ryan, Majority Leader McCarthy, and Majority Whip Scalise:

The Retail Industry Leaders Association (RILA) urges you to support the Fiscal Year (FY) 2018 concurrent budget resolution passed by the Senate last week, which includes reconciliation instructions that would facilitate the expeditious passage of comprehensive tax reform. Tax reform, which among other things, significantly reduces the corporate tax rate and reduces taxes on individual consumers, is critical to growing the economy and improving U.S. international competitiveness. Enactment of the FY 2018 budget this week by the House of Representatives, is the next step towards making tax reform a reality.

RILA is the trade association of the world's largest and most innovative retail companies. RILA members include more than 200 retailers, product manufacturers, and service suppliers, which together account for more than \$1.5 trillion in annual sales, millions of American jobs, and more than 100,000 stores, manufacturing facilities, and distribution centers located both domestically and abroad.

Over 42 million jobs in the United States are either in retail or supported by retail, making retail America's largest private sector employer. With more than \$3.8 trillion in sales and hundreds of billions paid in wages, retail is one of America's most powerful economic engines. In fact, consumer spending represents two-thirds of U.S. gross domestic product (GDP).

Retailers face an average domestic effective tax rate of 36.7 percent---nearly 10 percentage points higher than the average for all other industries. This tax treatment stifles job creation, investment, and consumer savings for a sector so important to our nation's economy.

RILA and its member companies urge support for the Senate passed FY 2018 budget and look forward to working with Congress and the Administration in this once in a generation opportunity to reform the tax code to benefit the economy and America's workers, consumers, and businesses.

Sincerely,



Jennifer M. Safavian
Executive Vice President, Government Affairs

cc: Republicans Members of the U.S. House of Representatives